

# LICENCES IN THE CZECH REPUBLIC – ANALYTICAL PART

Analytical part contains concrete data on valid licences. Licence indicators were collected from an annual exhaustive survey 'Lic5-01' in the Czech Republic. **Since the reporting units represent both, the licensor and the licensee, there is some duplication in the total number of licence agreements. On this account, it is not possible to simply sum up the number of purchased and sold licence agreements to obtain the total figure.**

## I. Purchased licences

Licence fees paid to the licensor are monitored with respect to purchased licences in the given year (not starting from the validity of the licence agreement). While the licence fees are declared on the basis of the respective year (only appear in the balance of the year, in which they were settled), the actual number of licence agreements is cumulatively monitored over the years (throughout the validity of the agreement).

### I.1 Number of reporting units with a valid purchased licence

Based on the national survey, some 480 reporting units (RU) in the Czech Republic possessed a purchased a licence in 2005. The number of reporting units that purchased rights to intellectual property was the same compared to the previous year (2004).

**Figure 1-1**

**Number of reporting units with a purchased licence; 2003 - 2005**

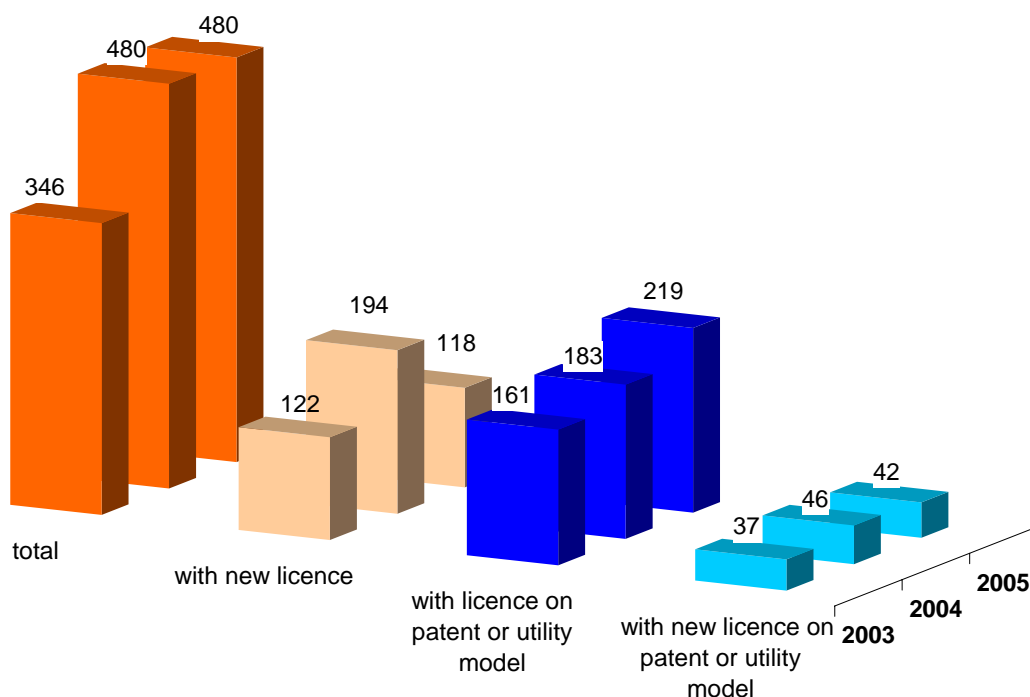


Figure 1-1 shows that in 2005 the share of RU with purchased licence for patent or utility model increased to 46 % as opposed to 40 % in 2004

In 2005, 118 legal or natural persons purchased a licence in order to protect industrial property. Consequently, this figure represents 25 % of the total number of reporting units with a valid purchased licence. In the same year, the number of new licensees for patent or utility model decreased to 42 (as opposed to 46 in the previous year).

In 2005, entities in the manufacturing industry purchased 295 (61 %) of the licences, while the service sector accounts for some 32 % (154) licensees. 130 of licensees (27 %) allegedly resides in the capital city of Prague.

## I.2 Number of purchased licences and licence fees

### I.2.1 Total number of purchased licences and licence fees

The total of 1 889 licences were effectively purchased in 2005. This averages to a licence fee of about 5,7 million CZK for one licence agreement. Compared to the previous year, this ratio more than 70%, as in 2004 it was only 3,4 million CZK per licence.

Additionally, 322 new licence agreements were concluded amounting to more than 691 million CZK paid in licence fees. The fee per new licence was about 2,1 million CZK. This figure slight increased compared with year 2003, when there was 802 million CZK paid in fees for 412 newly purchased licences.

From the total of 1 889 valid licence agreements for any form of industrial property protection in 2005, entities in the manufacturing industry purchased 1 059 (56 %) of the licences (decreased by 11 percentage points as opposed to 2004), while the service sector accounts for some 40% with 767 valid licences (increased by 11 percentage points as opposed to 2004).

**Figure 1-2**

**Total number of purchased licences and licence fees; 2003 - 2005**



### I.2.2 Number of purchased licences and licence fees for patents and utility models

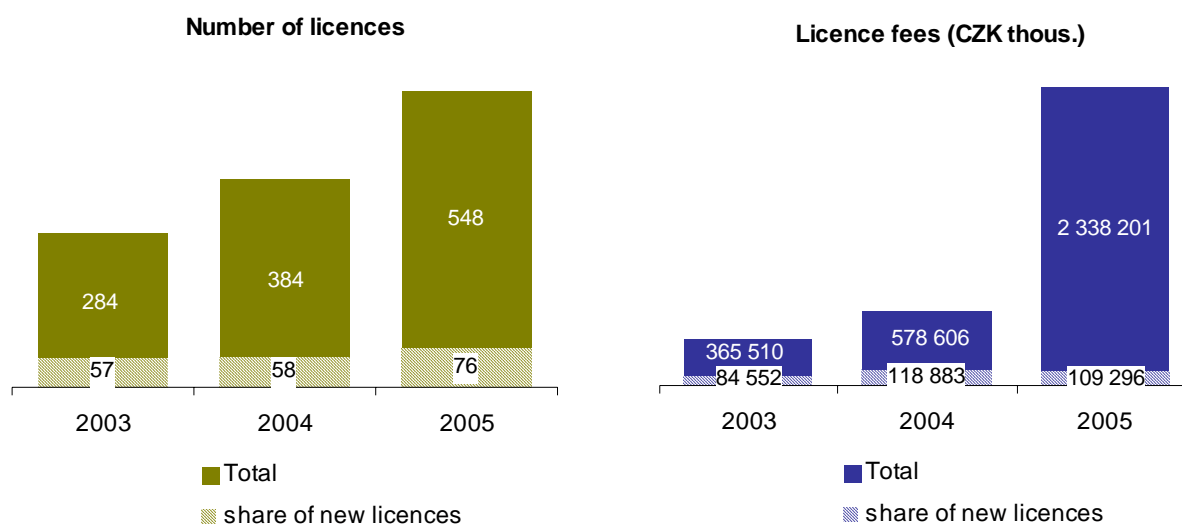
The total of 548 licences on patent or utility model were effectively purchased. The fee for such licence was about 4,2 million CZK. From the total, 78 licence agreements were newly concluded in 2005 along with 110 million CZK paid in licence fees.

The patents and utility models constitute only a small part of the total number of issued licences. Their share in the total number of issued licences was 29 % in 2004. This figure slight increased compared with year 2004, when there was 25 %.

Share of purchased licences on patent or utility model in the manufacturing industry was higher (61 % in 2005), than on total licences. Share of the service sector increased (from 15 % in 2004 to 35 % in 2005).

**Figure 1-3**

**Number of purchased licences and licence fees on patents and utility models; 2003 - 2005**



### I.2.3 Number of purchased licences by country of contract partner

The total of 1 051 licence agreements were effectively concluded with Czech partners and 838 licences purchased from abroad in 2005. Most deals were closed with partners from Germany (257) and the United States (139).

Figure 1-4 shows that almost 55 % of all licences were purchased by domestic partners. This share increased by more than 13 percentage points in 2005 as opposed to the previous year. Additionally, more than 77 % of the licences were purchased by entities based in the Czech republic, Germany and the United States and less than 23 % of the licence purchases fall on the other countries.

**Figure 1-4**  
**Share of purchased licences, by country of contracting partner; 2004 and 2005 (%)**

